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Shawn Sullivan, Director of the Budget

Sam Brownback, Governor

February 8, 2016

The Honorable Jeff Longbine, Chairperson Senate Committee on Financial Institutions and Insurance Statehouse, Room 235-E Topeka, Kansas 66612

Dear Senator Longbine:

SUBJECT: Fiscal Note for SB 381 by Senate Committee on Financial Institutions and Insurance

In accordance with KSA 75-3715a, the following fiscal note concerning SB 381 is respectfully submitted to your committee.

SB 381 would require that every health benefit plan that provides coverage for prescription drugs provide for the synchronization of prescription drug refills on at least one occasion per insured per year for maintenance medications such as those for high cholesterol, blood pressure, and diabetes.

The passage of SB 381 would require the State Employee Health Plan (SEHP) administered by the Kansas Department of Health and Environment (KDHE) to claim one additional dispensing fee for each individual on maintenance medications per year. KDHE indicates that there would be only incremental costs to Medicaid and SEHP, and further that a very low percentage of these claims would actually require synchronization. The fiscal effect of the bill on local governments would be negligible. Any fiscal effect associated with SB 381 is not reflected in *The FY 2017 Governor's Budget Report*.

Sincerely,

Shawn Sullivan,

Director of the Budget